



# NEWS

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## PROPOSED FEDERAL BUDGET WOULD DECIMATE L.A. COUNTY'S TRANSPORTATION FUTURE

Deep cuts, and in some cases elimination, of federal transit funds proposed by both houses of Congress would have a devastating effect on the quality of regional bus and train service, increase traffic congestion, and severely curtail the MTA's ability to purchase new buses and trains. The proposal also would eliminate MTA's research and development of clean air technologies, and indefinitely delay the construction of extensions to the region's rail transportation network.

Federal budget cuts proposed by the House and Senate budget committees' versions of the FY 1996 Budget Resolution now being debated on Capitol Hill, if enacted, would have a severe impact on the goals and projects outlined in MTA's 20-year long range transportation plan for Los Angeles County.

"The people of Los Angeles have twice voted to tax themselves by the passage of Propositions A and C, and entered into a contract with the federal government to build a rail system for this region into the 21st century," said MTA First Vice Chair Larry Zarian, a Glendale city councilman. "We will be working with our congressional representatives to demand that Congress honor its commitment. The Los Angeles region would face untenable air quality and congestion problems that would play havoc with our economy as well as the quality of life for our citizens if these measures before Congress are not amended."

"If federal assistance for mass transit is cut as proposed, the repercussions for Los Angeles County would be serious, both from a transportation and an economic point of view," said MTA Chief Executive Officer Franklin White. "Fares could rise another 25 cents, service could be cut, and our rail construction

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programs could be delayed, all of which would have a domino effect on our local economy. Our 20-year plan as we know it now would already become history."

There are two key changes that could profoundly affect local transit users. The first is the suggested phasing out of mass transit operating subsidies, on which MTA and other L.A. County providers have heavily relied in recent years. This could mean substantial fare hikes and/or service cuts as the phaseout occurs over a three- to five-year period.

Federal operating assistance has been shrinking steadily since 1982, when Los Angeles County received approximately \$64.6 million in funds. By FY 1995, that amount had dwindled to \$40 million. The current proposal seeks to slash another \$8 million to \$12 million this year that would directly benefit the Los Angeles region, and would eliminate entirely over the next three to five years federal assistance earmarked for bus and train service.

"This week, we have laid off 234 employees, and we could be faced with more layoffs," White said. "In February, we raised our fare from \$1.10 to \$1.35. These proposals would only exacerbate the situation."

The second major change is the proposed elimination of capital funds for "new starts in fixed guideway mass transit" beginning in FY 1996. This means that construction occurring on any new "fixed guideway mass transit" system (i.e., rail system) after this year would no longer receive federal assistance.

This would directly impact MTA's current and proposed rail construction plans, since approximately 50 percent of the Metro Rail Red Line project funds are provided through federal assistance.

Construction of Segment 2 of the Metro Red Line subway project probably would be completed on schedule. However:

- Segment 3 of the Red Line could be delayed from between two and six years.
- The Pasadena Blue Line could be delayed for seven years.

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- Construction on the San Fernando Valley east-west rail line, due to begin in the second decade of the 20-year plan, could be delayed indefinitely, as could all other planned rail projects on which construction has not yet begun.

In addition, the following changes or cuts are proposed:

- The House proposal would reduce the federal contribution for capital expenditures from 80 percent to 50 percent. This means that when MTA buys a new bus or train, it would have to pay for half of it with local funds, instead of 20 percent as in past years -- a 150 percent increase. White said the proposal not only would eliminate the possibility of adding more buses to the countywide fleet, it would inhibit transit operators' ability to replace aging buses with new ones, thus driving up maintenance costs.
- The House proposal would eliminate all funds for transit planning and research. Projects falling victim to this proposal would include safety and clean-air research programs, including MTA's Advanced Technology Transit Bus (ATTB) project.
- Both the House and the Senate propose eliminating highway demonstration projects, which would have contributed about \$350 million to the Alameda Corridor Project.

On Friday, May 26, the MTA Board will receive a proposed MTA budget for FY 1995-96 that includes cutbacks to offset a \$97 million operating deficit.

"We will work with local municipalities and House and Senate representatives in the coming weeks to stress to them Southern California's need for uninterrupted federal program support," Zarian said. "Lost transit service means lost jobs, and lost access to education and health care services for the disadvantaged, senior citizens, students and the disabled."

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